

## **Summary – International double taxation**

The purpose of this thesis is to describe basic terms, history and importance of double taxation agreements and it also describes European law of double taxation. This thesis is composed of five chapters.

Chapter one is an introductory part and describes importance of elimination of international double taxation. Following parts describes structure of this thesis, aim of this thesis and used methods.

The second chapter deals with basic terms of double taxation, general meaning of double taxation, tax legislation in Czech Republic and EU law concerning taxation. In following parts, it defines the term of double taxation, both intra national and international and its types. The third part describes the methods of elimination of double taxation, exemption and credit. The fourth part describes limited and unlimited tax liability. The fifth part deals with tax residents and non-residents, the sixth part deals with transfer pricing. The seventh part discusses tax havens. The last, eighth, part is concerned with transparent entities.

The third chapter analyzes the international double taxation treaties, their history, importance and basic principles. In following parts, it describes types of these agreements, and in the last part, it describes the provisions of model agreement used by Czech Republic.

The fourth chapter describes this topic in European law, with regard to basic freedoms of EU. This part also describes the most important directives, e.g. Directive on the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States, Directive on the common system of taxation applicable to mergers, divisions, transfers of assets and exchanges of shares concerning companies of different Member States, Directive on taxation of savings income in the form of interest payments, Directive concerning mutual assistance by the competent authorities of the Member States in the field of direct taxation. This chapter also describes Transfer Pricing and the Arbitration Convention.

Chapter five contains examples of utilization of double taxation agreement between Czech Republic and Germany. It contains example of determination of tax residency, permanent establishment, incomes from immovable

property, business profits and incomes from shipping.

Conclusions are drawn in Chapter six. In this chapter, there is a summary of content of this thesis and final evaluation of importance of elimination of double taxation.